

## Supporting Document 14

State of California  
Regional Water Quality Control Board  
San Diego Region

EXECUTIVE OFFICER SUMMARY REPORT  
October 10, 2001

ITEM: 19

SUBJECT: Complaint No. 2000-256 for Administrative Civil Liability (ACL) against Chung Kwan and Hui Mei Hsu for failure to submit a corrective action plan for the Budget Trade & Gas facility, Escondido, San Diego County. (Sue Pease)

PURPOSE: The purpose of this item is to reopen the public hearing held on December 13, 2000, to receive additional testimony on ACL Complaint No. 2000-256.

DISCUSSION: Complaint No. 2000-256 recommends the imposition of an ACL of \$146,500 against Mr. and Mrs. Hsu for failure to submit a corrective action plan for remediation of groundwater pollution as required by California Water Code (CWC) section 13267. The period of the violation was February 10, 2000 through December 13, 2000. Evidence on the ACL complaint was accepted into the record at the December 13 hearing.

At the conclusion of the December hearing, the RWQCB deferred acting on the ACL complaint against Mr. & Mrs. Hsu until the February meeting. Due to a very full agenda, the item was postponed until the April meeting. At that meeting the RWQCB again deferred acting on the ACL to allow a longer period of time for Mr. Hsu to demonstrate compliance. This would be demonstrated by accomplishing the following tasks:

1. Continue compliance with the Cleanup and Abatement Order (CAO) No. 2000-255, issued November 7, 2000; and
2. Continue payments on the previously assessed ACL penalty of \$35,680 (ACL No. 2000-23).

Compliance with CAO No. 2000-255 has been accomplished with submittal of free product recovery reports, ground water monitoring reports, and delineation of ground water contamination.

Payments totaling \$890 (February – August 2001) on the previous ACL penalty have been received. Mr. Hsu intends to

make monthly payments, and has stated that due to his financial situation, \$100 to \$200 per month is all he can afford.

To overcome communication difficulties for Mr. Hsu and to ensure that Mr. Hsu understands the regulatory actions required of him, staff met with Mr. Hsu and his consultant on June 27, 2001 and September 19, 2001. A Mandarin Chinese translator attended both meetings to help Mr. Hsu understand what was discussed. A Mandarin Chinese translator will be present at the October 10, 2001 Regional Board meeting.

LEGAL CONCERNS:

None

SUPPORTING  
DOCUMENTS:

The documents applicable to Item 19 of the October 10, 2001 Regional Board meeting are listed below. Copies of document 7 (Mr. Hsu's financial documents) were supplied to the Board members with the agenda package for item 11 of the March 14, 2001 Board meeting. Because of the volume of material comprising document 7, and because it was previously submitted, it is not included in this package.

Supporting Document 1 – Summary of payments for ACL No. 2000-23

Supporting Document 2 – Chronology of events

Supporting Document 3 – Table of compliance dates

Supporting Document 4 – Addendum No. 2 to CAO No. 2000-255

Supporting Document 5 – Diagram of extent of ground water contamination

Supporting Document 6 – Memo to file: June 27, 2001 meeting

Supporting Document 7 – Mr. Hsu's financial documents  
(previously submitted):

- a) lawsuit brought by the GE Capital Small Business Finance Corporation to foreclose on the Budget Trade & Gas property due to nonpayment on loan;
- b) lawsuit of Chung Kwan Hsu vs. First Pacific National Bank et. al. to recover money from the account of E.T. Oil. Mr. Hsu claims that E.T. Oil did not pay State of California excise taxes.;
- c) lawsuit brought by Edward Babcock and Escondido Saw Works for contamination that originated on Mr. & Mrs. Hsu's property and migrated under Escondido Saw Works property;
- d) attorney fees for UST problem on property located on El Cajon Blvd.;
- e) a total amount of money lost from supporting documents 4b, 4c, and 4d;
- f) 1998 and 1999 personal and corporate tax returns;

- g) bank statements from August 2000 through November 2000;
- h) residential mortgage credit report;
- i) Gateway Title Company report;
- j) Residential lease;
- k) Letter to Board members; and
- l) photocopy of check submitted for payment on previously assessed ACL.

Supporting Document 8 – Mr. Hsu's request to address the  
Board

Supporting Document 9 – Memo to file: September 19, 2001  
meeting

RECOMMENDATION:

Staff recommends a continuation of this item until April 2002 Regional Board meeting to better assess Mr. Hsu's compliance with CAO No. 2000-255 and his intention to make payments on the previously assessed ACL.

STAFF REPORT AND RECOMMENDATION FOR  
ACL COMPLAINT NO. 2000-256  
BUDGET TRADE & GAS

Complaint No. 2000-256 recommended the imposition of an Administrative Civil Liability (ACL) of \$146,500 against Mr. and Mrs. Hsu for failure to submit a corrective action plan for remediation of groundwater pollution as required by California Water Code (CWC) section 13267. The period of the violation was February 10, 2000 through December 13, 2000. Evidence on the ACL complaint was accepted into the record at the December 13 hearing.

At the conclusion of the December hearing, the Regional Water Quality Control Board (Regional Board) deferred acting on the ACL complaint against Mr. & Mrs. Hsu until the February meeting. Due to a very full agenda, the item was postponed until the April meeting. At that meeting the Regional Board again deferred acting on the ACL complaint to allow a longer period of time during which Mr. Hsu would need to demonstrate his compliance with orders of the Board. Compliance would be demonstrated by accomplishing the following tasks:

1. Continue compliance with Cleanup and Abatement Order (CAO) No. 2000-255, issued November 7, 2000; and
2. Continue payments on the previously assessed ACL penalty of \$35,680. Mr. Hsu told the Board members that due to his financial situation, \$100 to \$200 per month was all he could afford.

Since the April Board meeting the following compliance has been accomplished:

1. Free product removal reports for May, June, and July 2001;
2. Quarterly Ground Water Monitoring Report for 2<sup>nd</sup> Quarter 2001;
3. Delineation of Ground Water Contamination; and
4. Payments totaling \$540 for April, May, June, July, and August 2001 for the previously assessed ACL (Supporting Document No. 1).

A chronology (Supporting Document 2) and table of compliance dates (Supporting Document 3) summarize events to date. Due to low amounts of free product on the ground water, Addendum No. 2 to CAO No. 2000-255 was issued on July 19, 2000 reducing reporting of free product removal from monthly to quarterly (Supporting Document No. 4). A diagram depicting the extent of ground water pollution is included (Supporting Document No. 5)

To overcome communication difficulties for Mr. Hsu and to ensure that Mr. Hsu understands the regulatory actions required of him, staff met with Mr. Hsu on June 27, 2001, with a Mandarin Chinese translator to help Mr. Hsu understand the discussion (Supporting Document 6). At this meeting staff discussed compliance dates in CAO No. 2000-255, payments on ACL No. 2000-23, and Mr. Hsu's written summary of the significance of

previously submitted financial documents (Supporting Document 7). To date, a written summary of Mr. Hsu's financial documents has not been received, and Mr. Hsu stated that he wanted to discuss the documents at the Board meeting (Supporting Document 8).

An additional meeting was held on September 19, 2001 with Mr. Hsu, his consultant, and a Mandarin Chinese translator. Staff discussed continued payments on ACL No. 2000-23, submittal of a timeline for activities in the approved Corrective Action Plan, installation of ground water monitoring wells, as well as other points that had been previously discussed (Supporting Document 9). An addendum to CAO No. 2000-255 will be issued using the dates in the timeline as compliance dates, which was submitted on September 26, 2001 (Supporting Document 10).

Mr. Hsu's financial documents were submitted in the agenda package for the March 14, 2001 Regional Board meeting (agenda item 11). They will not be reproduced in the October 10, 2001 agenda package due to the volume of material.

#### RECOMMENDATION:

Staff recommends a continuation of this item until the April 2002 Regional Board meeting to better assess Mr. Hsu's compliance with CAO No. 2000-255 and his intention to make payments on the previously assessed ACL. Although Mr. Hsu has complied to date with all directives, progress on initiating the Corrective Action Plan has been slow. This is partially due to confusion of the status with the Underground Storage Tank Cleanup Fund. This has been resolved and a Letter of Commitment was sent to Mr. Hsu. Future compliance directives will be issued in the form of an addendum to CAO No. 2000-256 with specified dates for commencement of remedial action. Mr. Hsu has been informed that to continue to receive funds from the Underground Storage Tank Cleanup Fund, he must remain in compliance with all orders of the Board. This includes continuing payments on ACL No. 2000-23 and complying with all directives of CAO No. 2000-256.

#### SUPPORTING DOCUMENTS:

- Supporting Document 1 – Payments made on ACL No. 2000-23
- Supporting Document 2 – Chronology of Events
- Supporting Document 3 – Table of Compliance Dates
- Supporting Document 4 – Addendum 2 to CAO No. 2000-255
- Supporting Document 5 – Delineation of ground water pollutants
- Supporting Document 6 – June 27, 2001 memo to file
- Supporting Document 7 – Mr. Hsu's financial documents (previously submitted and included in the March 14, 2001 agenda package)
  - a) lawsuit brought by the GE Capital Small Business Finance Corporation to foreclose on the Budget Trade & Gas property due to nonpayment on loan;
  - b) lawsuit of Chung Kwan Hsu vs. First Pacific National Bank et. al. to recover money from the account of E.T. Oil. Mr. Hsu claims that E.T. Oil did not pay State of California excise taxes;;

- c) lawsuit brought by Edward Babcock and Escondido Saw Works for contamination that originated on Mr. & Mrs. Hsu's property and migrated under Escondido Saw Works property;
  - d) attorney fees for UST problem on property located on El Cajon Blvd.;
  - e) a total amount of money lost from supporting documents 4b, 4c, and 4d;
  - f) 1998 and 1999 personal and corporate tax returns;
  - g) bank statements from August 2000 through November 2000;
  - h) residential mortgage credit report;
  - i) Gateway Title Company report;
  - j) Residential lease;
  - k) Letter to Board members; and
  - l) Photocopy of check submitted for payment on previously assessed ACL.
- Supporting Document 8 – Mr. Hsu's request to speak to the Board
- Supporting Document 9 – September 19, 2001 memo to file
- Supporting Document 10 – Timeline for remedial action events

## Supporting Document 1



## Supporting Document 2

## CHRONOLOGY OF EVENTS

### Budget Trade & Gas

### ACL No. 2000-23

- May 17, 1999 - San Diego County Department of Environmental Health (DEH) requested assistance with gaining compliance for Budget Trade & Gas facility.
- June 9, 1999 - San Diego Regional Water Quality Control Board (RWQCB) sent California Water Code (CWC) section 13267 letter requesting workplan by August 1, 1999 and corrective action plan (CAP) by September 1, 1999.
- Sept. 22, 1999 - RWQCB sent Notice of Violation (NOV) for failure to comply with CWC section 13267 letter and requested contact by October 1, 1999.
- October 28, 1999 - Administrative Civil Liability (ACL) Complaint No. 99-178 issued for failure to comply with CWC section 13267 letter, for \$223,000. (This was not heard before the Board within 60 days due to lack of quorum.)
- January 12, 2000 - ACL Complaint No. 2000-23 issued for failure to comply with CWC section 13267 letter, for \$35,680.
- February 9, 2000 - Board Hearing – ACL No. 2000-23 adopted with \$35,680 suspended provided that 2 conditions are met:
1. Workplan submitted by March 10, 2000
  2. Corrective Action Plan submitted by August 7, 2000
- Feb. 24-Mar.7, 2000 – Phone conversations with K.T. Mao, David Henry & Jim Leist to assure everyone knew what the content of the workplan needed to be.
- March 6, 2000 - RWQCB received faxed version of February 14, 2000 letter addressed to Mr. Hsu from David Henry about request for proposals for workplan. It only included ground water monitoring.
- March 6, 2000 - RWQCB responds to February 14, 2000 letter that a workplan with only ground water monitoring would not comply with ACL No. 2000-23.
- March 8, 2000 - Board meeting – Status report presented to the Board.
- March 10, 2000 - Workplan faxed to RWQCB.
- March 13, 2000 - Hard copy of workplan received.
- March 15, 2000 - First letter from RWQCB in response to workplan approving ground water monitoring and additional comments on remainder of workplan will follow.
- March 27, 2000 - Second letter from RWQCB in response to workplan approving delineation scheme with suggested changes.
- April 12, 2000 - Board meeting – Status report presented to the Board.
- June 14, 2000 - Executive Officer's report for June Board meeting – Status report of compliance. Although workplan was submitted,

execution of workplan has not begun. Ground water monitoring not done to date either.  
 July 12, 2000 - RWQCB letter to Mr. Hsu reminding him of August 7, 2000 due date for CAP. The letter also told him to refile application to State Water Resources Control Board (SWRCB) Underground Storage Tank Cleanup Fund (USTCF).  
 July 26, 2000 - Ground Water Monitoring submitted.  
 July 27, 2000 - SWRCB USTCF issued letter of pre-approval of corrective action costs for \$37,733, claim No. 601.  
 August 7, 2000 - Due date for CAP which was not submitted.  
 August 9, 2000 - Issuance of ACL No. 2000-23 which imposed civil liability of \$35,680 for failure to submit CAP by August 7, 2000 requested pursuant to CWC section 13267. Payment is due in 30 days – September 9, 2000.  
 August 11, 2000 - Executive Officer's report for August Board meeting – Status report of compliance. Letter sent to Mr. Hsu informing him that ACL No. 2000-23 was issued and payment is due in 30 days (September 9, 2000).  
 Sept. 12, 2000 - RWQCB letter to Mr. Hsu informing him that since civil liability assessment of \$35,680 from adopted ACL No. 2000-23 had not been paid, that RWQCB would seek judgement for amount of civil liability.  
 Sept. 13, 2000 - Executive Officer's report for September Board meeting – Status report of compliance. Since this summary was prepared prior to September 9, 2000, it states that the Executive Officer would give verbal update of whether civil liability was paid in 30 days of issuance (it was not).  
 Sept. 29, 2000 - ACL No. 2000-23 referred to Deputy Attorney (DA) General.  
 Sept. 29, 2000 - RWQCB letter to Mr. Hsu informing him that he has responsibility to submit CAP and that civil liabilities will continue to accrue from February 10, 2000.  
 Oct. 11, 2000 - Executive Officer's report for October Board meeting – Status report of compliance. Mr. Hsu was informed that ACL No. 2000-23 had been referred to the DA for judgement.  
 Oct. 23, 2000 - DEH transfers case to RWQCB for oversight.  
 Nov. 6, 2000 - Administrative Civil Liability Complaint No. 2000-256 issued for continued failure to submit CAP requested pursuant to CWC 13267, for \$146,500. Scheduled for special Board meeting for November 29, 2000.  
 Nov. 7, 2000 - Cleanup and Abatement Order (CAO) No. 2000-255 issued. Requires free product removal monthly with report sent in the first of each month starting January 1, 2001. Quarterly ground water monitoring required with first report due January 30, 2001. Full delineation of soil and ground water contamination by March 22, 2001.

Nov. 21, 2000 - Special Board meeting for November 29, 2000 was cancelled and ACL Complaint No. 2000-256 was placed on December 13, 2000 agenda.

Dec. 13, 2000 - Board Meeting for adoption of ACL No. 2000-256. Board action deferred till February Board meeting pending submittal of CAP and payments on previous ACL (ACL No. 2000-23).

Dec. 20, 2000 - SWRCB USTCF sent preapproval (for free product removal and quarterly ground water monitoring per CAO No. 2000-255) letter for \$48,523, claim No. 601, to Mr. Hsu.

Jan. 17, 2001 - Executive Officer's Report for Board agenda - Status of compliance: Hsu's signed contract with environmental consultant, Hsu's submitted verification of tightness of UST system and functioning of monitoring probes. Hsu's did not submit free product removal by January 1, 2001 or make payment on ACL No. 2000-23.

Jan. 23, 2001 - Meeting with Mr. Hsu and his consultant. Mr. Hsu was reminded what the Board members requested he accomplish by February Board meeting (CAP submitted, payments on ACL No. 2000-23). Due dates from CAO No. 2000-255 were discussed.

Jan. 30, 2001 - Workplan for assessment, CAP, free product removal and ground water monitoring received

Feb. 14, 2001 - 2<sup>nd</sup> meeting with Mr. Hsu and consultant. A Mandarin Chinese translator was hired to facilitate Mr. Hsu's understanding of meeting. We reviewed tank integrity test results, payment on ACL No. 2000-23, upcoming compliance dates for CAO No. 2000-255, and the workplan and CAP submitted by the current consultant. Mr. Hsu submitted financial documents to demonstrate that, if imposed, ACL No. 2000-256 would place a financial burden on him that could cause bankruptcy. RWQCB requested a written summary of each document. The volume of the financial documents was so large that the agenda item was pulled. The documents will be enclosed in the agenda package for the March 14, 2001 Board meeting.

Feb. 15, 2001 - Mr. Hsu submitted \$200 payment on ACL No. 2000-23.

Mar. 6, 2001 - Free product removal report received.

March 14, 2001 - Board meeting. ACL No. 2000-256 continued to April Board meeting because the shipyard item took a long time.

Mar. 14, 2001 - Unsuccessful drilling on site to delineate extent of contamination. Rescheduled to April 25-27 with larger drill rig.

Mar. 22, 2001 - Delineation of extent of soil and ground water contamination report due.

Mar. 27, 2001 - Mr. Hsu submitted \$150 payment on ACL No. 2000-23.

April 3, 2001 -	Free product removal report received.
April 11, 2001 -	Board meeting. Staff presentation was that Mr. Hsu was in compliance with CAO No. 2000-255, had submitted a CAP, had made 2 payments on ACL No. 2000-23 and intended to make monthly payments. Staff recommended a continuation of this item to the August Board meeting to better access Mr. Hsu's compliance with CAO No. 2000-255 and his intention to make payments on ACL No. 2000-23. After discussion the Board members agree with this approach.
May 10, 2001 -	Free product removal report received.
June 13, 2001 -	Free product removal report received.
June 22, 2001 -	Notice of Eligibility for the Underground Storage Tank Cleanup Fund
June 27, 2001 -	3rd meeting with Mr. Hsu and consultant. A Mandarin Chinese translator was hired to facilitate Mr. Hsu's understanding of meeting. We reviewed compliance deadlines in CAO No. 2000-255, payments on ACL Order No. 2000-23, and a submittal of a written summary explaining the significance of Mr. Hsu's financial documents.
July 10, 2001 -	Free product removal report received.
July 19, 2001 -	Addendum No. 2 to CAO No. 2000-255 which changed the reporting of free product removal to quarterly.
July 15, 2001 -	Mr. Hsu submitted \$300 payment (\$60 per month for March-July 2001) on ACL No. 2000-23.
July 31, 2001 -	2 <sup>nd</sup> quarter 2001 Ground Water Monitoring Report received.
August 1, 2001 -	Site Assessment Report Received
August 2, 2001 -	Mr. Hsu submitted \$240 payment on ACL No. 2000-23.
August 15, 2001 -	Status report received and proposal for installation of ground water monitoring wells.
August 29, 2001 -	RWQCB letter to Mr. Hsu requesting a meeting to discuss proposed ground water monitoring well locations.
Sept. 19, 2001 -	4th meeting with Mr. Hsu and consultant. A Mandarin Chinese translator was hired to facilitate Mr. Hsu's understanding of meeting. We reviewed compliance deadlines in CAO No. 2000-255, payments on ACL Order No. 2000-23, submittal of a written summary explaining the significance of Mr. Hsu's financial documents, timeline for activities in CAP, number and location of proposed ground water monitoring wells, and the status of the USTCF.

## Supporting Document 3

# Budget Trade & Gas Compliance Dates

REPORT	DUE DATE	DATE RECEIVED
Free Product Removal - monthly	January 1, 2001	
	February 1, 2001	January 30, 2001
	March 1, 2001	March 6, 2001
	April 1, 2001	April 3, 2001
	May 1, 2001	May 10, 2001
	June 1, 2001	June 13, 2001
	July 1, 2001	July 10, 2001
Changed to <b>quarterly</b> per Addendum No. 2 to CAO No. 2000-255	October 30, 2001	
	January 30, 2001	
	April 30, 2002	
Quarterly Ground Water Monitoring	January 30, 2001	
	April 30, 2001	January 30, 2001
	July 30, 2001	July 31, 2001
	October 30, 2001	
	January 30, 2001	
Delineation of Soil and Groundwater Contamination	April 30, 2002	
	March 22, 2001	August 1, 2001
Payments on ACL No. 2000-23	February 2001	February 15, 2001, \$200
	March 2001	March 27, 2001, \$150
	April 2001	July 31, 2001, \$60
	May 2001	July 31, 2001, \$60
	June 2001	July 31, 2001, \$60
	July 2001	July 31, 2001, \$60
	August 2001	July 31, 2001, \$60
	September 2001	August 2, 2001, \$240
	October 2001	
	November 2001	
	December 2001	

## Supporting Document 4





# California Regional Water Quality Control Board

## San Diego Region

Winston El. Hickox  
Secretary for  
Environmental  
Protection

Internet Address: <http://www.swrcb.ca.gov/rwqcb9/>  
9771 Clairemont Mesa Boulevard, Suite A, San Diego, California 92124-1324  
Phone (858) 467-2952 • FAX (858) 571-6972



July 19, 2001

Mr. Chung Kwan Hsu & Mrs. Hui Mei Hsu  
Budget Trade & Gas.  
510 West 5<sup>th</sup> Avenue  
Escondido, CA 92025

In Reply Refer to:  
UST:50-2661.05:sjp

Dear Mr. and Mrs. Hsu:

### ADDENDUM NUMBER 2 TO CLEANUP AND ABATEMENT ORDER NO. 2000-255

On November 7, 2000, the California Regional Water Quality Control Board, San Diego Region (RWQCB) issued Cleanup and Abatement Order (CAO) No. 2000-255 to you for the Budget Trade and Gas facility in Escondido. CAO No. 2000-255 (the order) is hereby amended as follows.

Section I.b. of the order is replaced with the following section:

I. b) Immobilize and remove all free product from the ground water underlying the site and other effected sites. All monitoring wells containing free product shall be inspected **monthly**, product thickness recorded, and product removed. Report free product removal amounts quarterly to the RWQCB Executive Officer, starting **October 30, 2001**, according to the following schedule:

Quarter Monitored	Report Due Date
January, February, March	April 30
April, May, June	July 30
July, August, September	October 30
October, November, December	January 30

*California Environmental Protection Agency*

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Mr. Hsu

- 2 -

July 19, 2001

Cleanup and Abatement Order No. 2000-255  
Addendum No. 2

If you have any questions regarding this addendum, please contact Ms. Susan Pease of my staff at (858) 637-5596.

Respectfully,



John H. Robertus  
Executive Officer  
San Diego Regional Water Quality Control Board

cc: Mr. Chuck Houser  
Southern California Soils and Testing, Inc.  
P.O. Box 600627  
San Diego, CA 92160-0627

JHR:jac:sjp

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File # 50-2661.05

## Supporting Document 5



# California Regional Water Quality Control Board

## San Diego Region

Winston H. Hickox  
Secretary for  
Environmental  
Protection

Internet Address: <http://www.swrcb.ca.gov/rwqcb9/>  
9771 Clairemont Mesa Boulevard, Suite A, San Diego, California 92124-1324  
Phone (858) 467-2952 • FAX (858) 571-6972



TO: File 50.2661.05

FROM: Sue Pease, Environmental Specialist III  
SAN DIEGO REGIONAL WATER QUALITY CONTROL BOARD

DATE: June 27, 2001

SUBJECT: MEETING WITH REPRESENTATIVES OF BUDGET TRADE & GAS  
FACILITY, 510 WEST 5<sup>TH</sup> AVENUE, ESCONDIDO, CA: COMPLIANCE  
DEADLINES, PAYMENTS ON ADMINISTRATIVE CIVIL LIABILITY (ACL)  
COMPLAINT NO. 2000-23, AND EXPLANATION OF FINANCIAL  
DOCUMENTS PREVIOUSLY SUBMITTED

Mr. Jimmy Hsu, owner and operator of Budget Trade and Gas, Susan Gehring (a Mandarin Chinese translator), and Regional Water Quality Control Board (Regional Board) staff members, Sue Pease and Julie Chan, met at our office on June 27, 2001 to discuss the following:

- 1) Compliance deadlines in Cleanup and Abatement Order (CAO) No. 2000-255.
- 2) Payment on ACL Order No. 2000-23.
- 3) Submittal of written summary explaining the significance of Mr. Hsu's financial documents.

### Meeting discussion:

We brought in a Mandarin translator, Mrs. Susan Gehring, to help overcome language problems since Mr. Hsu's first language is Mandarin Chinese.

Item 1. I gave Mr. Hsu a table with deadlines for free product removal reporting, quarterly ground-water monitoring reporting, a technical report for delineation of soil and ground-water contamination, and payments on ACL No. 2000-23. We discussed how important it is that all deadlines are met. The site delineation report, required by the CAO, was due on March 22, 2001. Due to drilling difficulties on March 11, 2001, the drilling was rescheduled to April 25-27, 2001. Information has not been provided to us about the number of wells constructed and the ground-water monitoring results from those wells. Verbal information from the consultant indicated that additional wells needed to be installed to accomplish full delineation. This work is scheduled for July 11-13, 2001. I emphasized that a technical report must be submitted by August 1, 2001 to give me enough time to review the report and prepare a staff report for the September 12, 2001 Board meeting. Mr. Hsu said that the consultant had not provided the report because Mr. Hsu owed the consultant about \$40,000. He is attempting to get a loan to pay the consultant. Mr. Hsu will propose to pay them half to get the report by August 1, 2001, and asked me to call him when I received the report. I agreed to do this. Julie emphasized that how or when Mr. Hsu paid

California Environmental Protection Agency

Recycled Paper

June 27, 2001

his consultant was not the business of the Regional Board. However, she emphasized that since Mr. Hsu is in violation of the CAO, he needs to get the overdue report into the Regional Board as soon as possible.

I also discussed reducing the free product removal and reporting from monthly to quarterly, since all free product removal reports have documented less than an inch of free product. An addendum to the Cleanup and Abatement Order will be prepared to accomplish this change.

Julie emphasized that all tasks need to be accomplished before the September Board meeting to show the Board members that Mr. Hsu is in compliance with all Regional Board orders. Mr. Hsu can keep track of his compliance dates by checking off the appropriate boxes on the table that we provided him each time a task is accomplished. Susan Gehring offered her services also to help Mr. Hsu understand what needed to be done by each date.

Item 2. Mr. Hsu has not made any payments on the previously assessed ACL No. 2000-23 since March. In April the Board members had requested that he make a good faith effort to pay \$100-200 per month. Mr. Hsu understands that he needs to make the missed payments, and continue to make monthly payments.

Item 3. Mr. Hsu had previously submitted the following information about his financial situation:

- 3.1. lawsuit brought by the GE Capital Small Business Finance Corporation to foreclose on the Budget Trade & Gas property due to nonpayment on loan;
- 3.2. lawsuit of Chung Kwan Hsu vs. First Pacific National Bank et. al. to recover money from the account of E.T. Oil. Mr. Hsu claims that E.T. Oil did not pay State of California excise taxes;
- 3.3. 1998 and 1999 personal and corporate tax returns; and
- 3.4. bank statements from August 2000 through November 2000;

Although Mr. Hsu had discussed the items with us in a previous meeting, I had requested that he write a written summary to explain the importance of the documents and how they pertain to his ability to pay another civil liability. Mr. Hsu said that he would write in Chinese the summary requested by Sue. Susan Gehring offered to translate the written summary.

cc: John Robertus  
Art Coe  
Dave Barker  
Julie Chan  
John Richards  
Jimmy Hsu  
Chuck Houser

## Supporting Document 6

37.5'  
Approximate Graphic Scale

B-25  
8.4

B-14  
1,200

National  
Automobile  
Rentals

SITE

B-20  
B-12  
B-19  
B-11

Approximate extent  
of dissolved MTBE  
in groundwater from  
Budget Trade and Gas facility

West Fifth  
Avenue

B-24  
<1.0

MW-18  
<1.0  
(4/11/01)

B-23  
<1.0

B-13  
(refusal)

B-22  
<1.0

B-21  
<1.0

West Fourth  
Avenue

Alley



SOUTH  
SOIL

Budget Tr

By: CEH/KMS

Job No.: 0013039

Budget Trade & Gas

570 W. 5th Ave  
Pasadena

July 2000

Supporting Document 7a-1  
(previously submitted in March 14, 2001 agenda package)



WASTE DISCHARGER SYSTEM (WDS)  
ENFORCEMENT ACTION INPUT FORM (ENF-1)

WDS FORM 01-01-01

Waste Discharger Identification Number: ("WDID" or WDS #, 11 characters)	91000197N910
Discharger/Agency Name: ("ANMS," 30 characters maximum)	
Facility Name: ("FNMS," 30 characters maximum)	Budget Trader Gas

ENFORCEMENT ACTION TAKEN

<p>TYPE OF ENFORCEMENT ACTION (check one)</p> <p><input type="checkbox"/> Cleanup and Abatement Order (CAO)*</p> <p><input type="checkbox"/> Cease and Desist Order (CDO)*</p> <p><input type="checkbox"/> Time Schedule Order (TSO)</p> <p><input type="checkbox"/> Referral to Attorney General (RAG)*</p> <p><input type="checkbox"/> Referral to District Attorney (RDA)*</p> <p><input checked="" type="checkbox"/> Administrative Civil Liability (ACL)*</p>	<p>ORDER ACTIONS</p> <p>Order issued by: <input type="checkbox"/> Regional Board <input checked="" type="checkbox"/> Executive Officer</p> <p>Order number:                    </p> <p>Action: <input type="checkbox"/> New <input type="checkbox"/> Amendment <input type="checkbox"/> Revision <input type="checkbox"/> Rescission</p> <p>Date adopted/issued: ___/___/___ (YYMMDD)</p> <p>Effective date: ___/___/___ (YYMMDD)</p> <p>Final compliance date: ___/___/___ (YYMMDD, leave blank for RAG, RDA, or ACL)</p> <p>Does this order rescind existing order(s): <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Rescinded order number:                    </p>
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NOTE: These types of enforcement actions must be reported to U.S. EPA Region 9 if discharger violated federal law or rule(s).  
An "amendment" adjusts but leaves existing enforcement order in effect; a "revision" replaces an existing order with a new order.

ACL PENALTY:	Recommended \$ 35,680 (in staff report/complaint)	Assessed \$ 35,680 (by the Regional Board)	Collected \$ 890 (cumulative amount to date)
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ENFORCEMENT ACTION DESCRIPTION / COMMENTS: (REQUIRED, 100 characters maximum)

ACL imposed for failure to submit technical reports required pursuant to California Water Code Section 13267

ROUTING:

1. Lead Staff Person:	SJP	Date:	8/7/01
2. Supervisor/Unit Chief:		Date:	
3. WDS Coordinator:		Date:	
4. Case File			

**CLEANUP AND ABATEMENT ACCOUNT STATEMENT**  
 Notice of New Liability Account or Adjustment to Existing Account  
 (FORM CAA-1; see below for instructions)

Attachment #2

IS THIS A CHANGE TO AN EXISTING LIABILITY: (check one) ☐ Yes ☐ No

ACCOUNT NUMBER	DATE OF ORDER, EO COMPLAINT, COURT JUDGEMENT, OR SETTLEMENT
CAA - <u>9</u> - <u>0101</u> - <u>23</u>	<u>219100</u>
<small>Region Calendar Year RWQCB Order Number</small>	

DISCHARGER NAME(S): (Name of owner/operator and facility name)
<u>Mr + Mrs Jimmy Hsu</u>
<u>Budget Trader Gas</u>

1. TOTAL PENALTY/LIABILITY (AMOUNT IN ORIGINAL COMPLAINT OR ORDER):
2. ADJUSTMENTS -REDUCTIONS (INCLUDING STAYS, OFFSETS, MITIGATION, ETC. AND INCREASES INCLUDING LATE PAYMENT PENALTIES, UNMET STAYS OR MITIGATION, ETC...IN ORIGINAL OR AMENDED ENFORCEMENT ORDER.  
(EXPLAIN AMOUNTS BELOW):
3. SUB-TOTAL: PENALTY AMOUNT ASSESSED
4. LESS CUMULATIVE AMOUNT PAID TO DATE.
5. NET: TOTAL PENALTY AMOUNT STILL OUTSTANDING

ORIGINAL AMOUNTS	NEW ADJUSTED AMOUNTS
\$ 357,680	\$
\$ <u>Ø</u>	\$
\$	\$
<\$ 890.00 >	<\$ >
\$ 34,790	\$

AMOUNT PAID: \$ 540 DATE PAID: 8/2/01

DATE DEPOSITED:    /    /    Report of Collections Number:   

TYPE OF LIABILITY: (check one) ☒ Administrative Civil Liability ☐ Settlement  
☐ Judicial Liability (court judgement) ☐ Other enforcement order with liability recovery (specify below)

EXPLANATION of ADJUSTMENTS or CHANGES: (explain amounts and any associated due dates)

OTHER INFORMATION or COMMENTS:

REPORT SUBMITTED BY:    APPROVED BY:    Date:   

INSTRUCTIONS: On every occasion an enforcement letter or order requires a discharger to make any payment to the Cleanup and Abatement Account (including administrative civil liabilities, court-directed civil or criminal liabilities, etc.), the Regional Water Quality Control Board office shall complete and submit this form to the SWRCB Accounting Office within five (5) days of the date the enforcement action was taken.

## Supporting Document 8

STATE OF NEW YORK  
WATER QUALITY  
CONTROL BOARD

2001 JUL 31 P 2:11

Dear Sue:

I would like speak my financial difficulty  
in the Board meeting.

Jimmy

## Supporting Document 9



# California Regional Water Quality Control Board

## San Diego Region

Winston H. Hickox  
Secretary for  
Environmental  
Protection

Internet Address: <http://www.swrcb.ca.gov/rwqcb9/>  
9771 Clairemont Mesa Boulevard, Suite A, San Diego, California 92124-1324  
Phone (858) 467-2952 • FAX (858) 571-6972



Gray Davis  
Governor

**TO:** File 50.2661.05

**FROM:** Sue Pease, Environmental Specialist III  
**SAN DIEGO REGIONAL WATER QUALITY CONTROL BOARD**

**DATE:** September 19, 2001

**SUBJECT:** MEETING WITH REPRESENTATIVES OF BUDGET TRADE & GAS FACILITY, 510 WEST 5<sup>TH</sup> AVENUE, ESCONDIDO, CA: COMPLIANCE DEADLINES, PAYMENTS ON ADMINISTRATIVE CIVIL LIABILITY (ACL) COMPLAINT NO. 2000-23, AND EXPLANATION OF FINANCIAL DOCUMENTS PREVIOUSLY SUBMITTED

Mr. Jimmy Hsu, owner and operator of Budget Trade and Gas, Susan Gehring (a Mandarin Chinese translator), and Regional Water Quality Control Board (Regional Board) staff members, Sue Pease and Julie Chan, and Chuck Houser (consultant with Southern California Soil & Testing, Inc.) met at our office on September 19, 2001 to discuss the following:

- 1) Payment on ACL Order No. 2000-23.
- 2) Timeline for Corrective Action Plan activities.
- 3) Review of chronology and compliance dates table.
- 4) Discussion of location of proposed ground water monitoring wells.
- 5) Submittal of written summary explaining the significance of Mr. Hsu's financial documents.

**Meeting discussion:**

We brought in a Mandarin translator, Mrs. Gehring, to help overcome language problems since Mr. Hsu's first language is Mandarin Chinese.

**Item 1.** Julie and I discussed that the Underground Storage Tank Cleanup Fund (USTCF) had sent us a Compliance Review Form to determine whether Mr. Hsu was in compliance before they would consider a Letter of Commitment. Julie responded to the USTCF that, at that time, Mr. Hsu was out of compliance with Cleanup and Abatement Order 2000-255 because he had not submitted a complete site assessment report. However, he was in compliance with all other current requirements, and he intended to continue making payments on ACL Order No. 2000-23.

We reminded Mr. Hsu that he needed to submit a September payment. Mr. Hsu understands that he needs to make the payment, and continue to make monthly payments.

June 27, 2001

We also discussed ongoing problems with the USTCF. Apparently, USTCF closed the previous claim number, and opened a new claim number. Mr. Hsu needs to resubmit the reimbursement request. I asked Mr. Hsu and Mr. Houser to determine the status of the claim with USTCF. Mr. Hsu indicated that when he receives reimbursement from the USTCF for his claims, he would have the funds to pay off the remainder of the ACL owed under Order No. 2000-23.

**Item 2.** Julie and I requested workplans and timelines for completing activities in the Corrective Action Plan (CAP). The CAP, submitted on January 30, 2001, has errors in the figures that were to be corrected and resubmitted, per discussion in a meeting with Mr. Hsu and his consultant on February 14, 2001. The CAP proposes soil borings to determine extent of soil contamination, a pilot test for the air sparge/enhanced vapor extraction, and enhanced free product recovery. I approved the CAP by a letter dated August 29, 2001. Mr. Houser agreed to submit workplans with timelines, or where appropriate, timelines alone for the remediation activities proposed in the CAP.

**Item 3.** I reviewed the chronology and compliance dates table with Mr. Hsu to remind him that free product recovery and ground water monitoring are due October 30, 2001, and monthly payments on ACL No. 2000-23. Mr. Hsu said he understood.

**Item 4.** A status report submitted August 15, 2001 had proposed 13 ground water monitoring wells. I discussed the number and location of the proposed wells, and we agreed that it could be reduced to 6 wells. Mr. Houser informed us that the City of Escondido requests a \$1,500 fee for all wells installed in the city streets. We encouraged Mr. Houser to move as many wells as possible off the street and onto properties. We informed Mr. Hsu of the possibility that property owners may refuse access to their properties to install ground water monitoring wells, and that we were available to assist him in gaining access.

**Item 5.** Mr. Hsu had previously submitted information about his financial situation, but has not submitted a written summary to explain the importance of the documents and how they pertain to his ability to pay another civil liability. Mr. Hsu said he has written a summary in Chinese, and he will fax it to Mrs. Gehring for translation. Once the translation is finished, Mr. Hsu will fax it to me for inclusion in the agenda package.

cc: Mr. Jimmy Hsu  
Mr. Chuck Houser

bcc: John Robertus  
Art Coe  
Dave Barker  
Julie Chan  
John Richards



## Supporting Document 10





September 26, 2001

PHONE  
(619) 280-4321  
TOLL FREE  
(877) 215-4321  
FAX  
(619) 280-4717

P.O. Box 600627  
San Diego, CA 92160-0627  
6280 Riverdale Street  
San Diego, CA 92120  
www.scs&t.com

VIA FACSIMILE

SCS&amp;T No. 0113001

**Ms. Susan Pease**  
California Regional Water Quality Control Board; San Diego Region  
9771 Clairemont Mesa Boulevard, Suite A  
San Diego, California 92124-133

Subject: PROJECT TIMELINE  
BUDGET TRADE AND GAS REMEDIATION ACTIVITIES  
510 WEST 5<sup>TH</sup> AVENUE  
ESCONDIDO, CALIFORNIA

Dear Ms. Pease:

This letter is to provide a timeline for remedial activities we discussed with you during a meeting on September 19, 2001, and in several subsequent phone calls. It is our understanding that we will begin the following phases of remedial action as outlined in the Corrective Action Plan prepared by Southern California Soil and Testing, Inc., (SCS&T), dated January 30, 2001:

- Re-drilling of wells MW-1 and MW-4, installation of 4-inch well casing and free product recovery bailers, and removal of free product from these wells;
- Drilling and sampling of soil borings to further assess the extent of petroleum hydrocarbon-bearing soil at the site; and
- Pilot testing for possible remediation activities including air sparging and vapor extraction.

The attached timelines depict the estimated schedule to complete the tasks outlined above. The schedule is dependant on timely pre-approval of estimated costs by the State Water Resources Control Board Underground Storage Tank Cleanup Fund (Cleanup Fund). The first task (free product recovery in wells MW-1 and MW-4) has already been pre-approved by the Cleanup Fund. Due to the relatively urgent need to begin the outlined tasks, there is not adequate time to obtain three bids for the proposed work. Should the Cleanup Fund require three bids, additional time will be required to complete the soil assessment and pilot testing.

Should you have any questions regarding this letter please feel free to call us at (619) 280-4321.

Respectfully,  
SOUTHERN CALIFORNIA SOIL & TESTING, INC.

Charles E. Houser, CEG 2206  
Project Geologist

CEH:sd

cc: Mr. Jimmy Hsu - Budget Trade and Gas

# Budget Trade and Gas 0113001 Remedial Action Timeline

